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C O N F I D E N T I A L BUCHAREST 000132

STATE FOR EUR/CE

E.O. 12958: DECL: 02/26/2019

TAGS: PGOV PREL RO

SUBJECT: DEEP THROAT: PSD LEGISLATOR DISHES ON PSD INTERNAL TENSIONS, PRESIDENTIAL INTRIGUES

Classified By: CDA Jeri Guthrie-Corn for 1.5(b) and (d)

¶1. (C) Summary: PSD legislator Georgian Pop predicted that Parliament would successfully refer the Nastase corruption case to prosecutors next week. He underscored that Geoana was consolidating his hold on the PSD with the support of local barons including Constanta Mayor Mazare and Bucharest PSD kingpin Vanghelie. He noted that while the Geoana-Boc relationship was outwardly cordial, the two parties were escalating their attempts to control the intelligence agencies. Pop noted that in the absence of any "big picture" accomplishments to boast of during the upcoming election contest, President Basescu was likely to revive the populist anti-corruption strategy that brought him to power in the 2004 election. End Summary.

¶2. (C) PSD legislator (and party Executive Secretary) Georgian Pop told Polcouns 2/26 that PSD head Mircea Geoana's recent public war of words with Defense Minister Stanisoara over acquisition of advanced fighter aircraft was only "political posturing" ahead of the year-end Presidential election. Geoana was at heart a proponent of acquiring the US-made F-16, but wanted to score points by defying Basescu's PDL in arguing against the purchase of expensive military hardware during a time of economic hardship. He predicted Geoana would be more supportive of expanded military acquisitions once the election (and economic crisis) is over. Pop added that despite this year's austerity budget, Romania would fulfill its international commitments to provide forces in Iraq, Afghanistan, and other crisis areas.

¶3. (C) Pop also dismissed as "posturing" the dire forecasts regarding the impact of budget cuts on the Interior Ministry and national police. He acknowledged, however, that criminality would increase during the economic crisis, especially the number of violent crimes. In a wry reference to the ongoing diplomatic row with Rome over the number of Romanian criminals apprehended in Italy, Pop quipped that "Italy was to blame" for the rise in violent crime since Romanian criminals returning from Italy (and other European capitals) came back with firearms and more violent habits than home-grown criminals. Italy was the world's "graduate school" for criminals, he quipped.

¶4. (C) Pop predicted that Parliament had the votes to refer the Nastase case to prosecutors next week. He insisted that the younger generation of PSD leaders were "tired" of the issue, and--while he and his peers respected Nastase for his experience and political acumen--they also felt that Nastase was a "stone on the necks" of the PSD. Pop said that Nastase still retained some influence in the party because he "had plenty of good plans and money" but few in the PSD longed to put Nastase back in charge of the party. Similarly, former President Iliescu was now seen as part of the past of the PSD, not the future.

¶5. (C) Pop said that PSD legislative whip Viorel Hrebenciuc was also "not as strong as he seems," as evidenced by his failure to obtain cabinet seats for his proteges. He added that Hrebenciuc's main strength had been his close ties with former intelligence chiefs, but these ties were now fraying. His remaining strength was his position as the party's legislative whip but he would be tested twice a year when

legislators voted in their parliamentary leadership at the start of every parliamentary session. One day, predicted Pop, Hrebenciuc would lose his position and it would be "all over." Pop added that while party heavyweight Miron Mitrea had recently been sidelined--mostly at Hrebenciuc's instigation--Mitrea was still useful to the PSD because he and former SIE head Ioan Talpes were close to President Basescu. If the party needed to build a bridge to the PDL, we might need those two, he concluded.

¶6. (C) Pop observed that PSD President Mircea Geoana was steadily consolidating his control over the party. His goal was to avoid holding a potentially divisive party congress this year, and he had changed his support base from the "Cluj Group" to a group of local "barons" including Constanta mayor Radu Mazare and Bucharest PSD kingpin Marian Vanghelie--by seating a Mazare protege in the cabinet and by endorsing Vanghelie for one of the party Vice Presidencies being vacated by Cluj group leaders Ioan Rus and Vasile Dancu. Pop said the Cluj group had been a disappointment ("smart guys with lots of big ideas but unable to bring in the votes"). In contrast, local kingpins like Vanghelie had delivered during recent elections. Pop described the PSD organizations in the rural communities surrounding Bucharest (e.g., Ilfov and Giurgiu counties) as "full of gypsies and mafiosi" that required a "tough guy" like Vanghelie to keep in line.

¶7. (C) Pop confirmed press rumors of a rift between Geoana and Foreign Minister Diaconescu, noting that "they can't stand each other" even though their differences were entirely personal and not over matters of policy. Pop predicted that Diaconescu's "big chance" to replace Geoana as party head could come later this year if Geoana loses decisively against Basescu during the year-end presidential election. He predicted that PSD Ministers Diaconescu, Vasile Puscas, Ilie Sarbu, and Victor Ponta were now so comfortable as ministers that they would likely remain as independents even if the PSD pulled out of the coalition.

¶8. (C) Asked how long the coalition would stick together, Pop responded that this government could easily survive for its full term depending on Basescu's whims. Pop explained that the Geoana-Boc relationship was excellent--"the two get along great"--but the coalition ultimately depended on Basescu's electoral prospects; if Basescu felt that Geoana was gaining on him, Basescu would find a pretext to ensure that the coalition "blew up." He added that despite the outwardly good relations between the two party leaders, the government's biggest handicap remained lack of mutual trust, as evidenced by the efforts of each party to control their own intelligence organizations. He said that the intelligence chiefs were being pressured by both parties to provide information that might help their respective sides, but the intelligence heads were--for the most part--trying to remain neutral, or at least to avoid committing to one side until it was clear who would win the presidential election. Pop added that this mutual mistrust was also exemplified in the slow pace of appointments to political positions--some 35 percent of government positions still remain unfilled.

¶9. (C) Pop predicted that--in the absence of any "big picture" accomplishments to boast of during the upcoming election contest, President Basescu was likely to revive his anti-corruption rhetoric in the months leading to the presidential election. The rumor now making the rounds is that Basescu has already prepared a series of "big cases" involving both ranking PSD officials--with a few token PDL leaders included to make the case more credible. (Note: Pop speculated that Regional Development Minister Vasile Blaga, Economic Minister Adrian Videanu, and Transportation Minister Radu Berceanu--all potential Basescu rivals--were "vulnerable" on the corruption issue.) Basescu's strategy, he said, was to play the populist card by repeating his anti-corruption campaign of 2004. Basescu's methods were always the same, he said--demonize your opponents, and ensure that no "autonomous" leaders emerge in your own party. Pop hinted obliquely that the PSD had its own "scandal card" to play in the election campaign: it would involve a recent

debacle involving the theft of weapons from a Romanian military depot. He hinted that this was a "Watergate-level" matter that could lose Basescu the election. "Just wait and see," he warned.

¶10. (C) Finally, Pop noted that the PNL was the "wild card" in Romanian politics. Pop predicted that PNL Vice President Crin Antonescu had a "60 percent chance" to topple former Prime Minister Tariceanu as head of the party, and the big question was whether Antonescu would be inclined toward an alliance with the PSD or with the PDL. Pop added that had rival PNL leader Ludovic Orban succeeded in winning the PNL presidency, the result would have been "disastrous" for the PSD. He explained that Basescu had "files" on Orban which ensured that Orban would be "reasonable" with the PNL. Pop added that PNL Oligarch Dinu Patriciu--a longtime Basescu nemesis--was aware of this, and thus was now throwing his support behind Antonescu.

¶11. (C) Comment: Georgian Pop is a rising star among PSD ranks, appearing frequently on Romanian television as a panelist and commentator. His own political evolution has moved him from the Hrebenciuc wing of the party and closer to the Geoana-Vanghelie faction in recent months. His recent election to Parliament (representing Bucharest's Sector 2) owed much to the support of Vanghelie, and his ascerbic comments regarding Hrebenciuc and other old guard PSD leaders will be colored by this. Pop's prediction of President Basescu's playing the "corruption card" in the upcoming presidential election campaign echoes similar predictions that made the rounds prior to the November 2008 parliamentary contest, but the corruption angle never materialized in the campaign. End Comment.

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